

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  INTERSTATE POWER COMPANY	DOCKET NOS. PGA-99-69 WRU-99-52-150
--	--

**ORDER APPROVING RECONCILIATION, GRANTING WAIVER, AND REQUIRING  
REFUND PLAN**

(Issued January 31 , 2000)

On October 4, 1999, Interstate Power Company (Interstate) filed with the Utilities Board (Board) its annual purchased gas adjustment (PGA) reconciliation for Northern Natural Gas. The filing is identified as Docket No. PGA-99-69. Pursuant to 199 IAC 19.10(7) (2000), the purpose of the annual filing is to reconcile each customer class' actual net invoiced cost of purchased gas to the actual revenue collected net of the prior years' reconciliation dollars and any undistributed refunds.

On October 29, 1999, the Board issued an order docketing the filing and allowing Interstate time to file corrected workpapers and supporting documentation. On December 21, 1999, Interstate filed revised workpapers and documentation. On December 30, 1999, Interstate filed additional revisions and on January 5, 2000, Interstate filed a third set of revisions. The reconciliation filing as revised shows an overcollection of \$782,313 for Rate 540 general service and Rate 548 interruptible customers and an undercollection of \$40,898 for Rate 545 contract quantity firm customers.

The Board will approve the reconciliation filing as revised. On November 12, 1999, Interstate filed a request for waiver of 199 IAC 19.10(7)"b"(1), which requires

Interstate to refund an overcollection of 3 percent or more by bill credit or check for the time period beginning November 1 of the current year to the date of refunding. Interstate requested the Board allow it to refund the amount to customers in the February 2000 bill month.

The Board will grant the waiver. Interstate must refund \$782,313.19 with interest by bill credit in the February 2000 bill month, if possible. However, because of the timing, it may be necessary for Interstate to implement the bill credit refund in the March 2000 bill month. In either case, pursuant to 199 IAC 19.10(7)"b"(1), interest shall be calculated on amounts exceeding 3 percent from the PGA midpoint to the date of refunding. The interest rate shall be the commercial paper rate 199 IAC 19.10(7)"B"(1).

Interstate plans to directly bill the customers that were on Rate 545 in the PGA year for the undercollected amount. Interstate stated this was necessary because Rate 540 general service and Rate 545 contract quantity firm customers were combined at the start of the current PGA year. According to Interstate, this was done in response to a large customer moving out of the Rate 545 customer class. The Board will approve this proposal. However, the Board will require Interstate to file a refund report covering overcollections and undercollections for the Board's approval.

**IT IS THEREFORE ORDERED:**

1. The annual purchased gas adjustment reconciliation filed by Interstate Power Company on October 4, 1999, and subsequently revised, is approved.

2. The request for waiver is granted. Interstate shall refund overcollected amounts by bill credit as soon as possible after approval of the refund plan.
3. Interstate shall file a refund plan on or before ten days from the date of this order.

**UTILITIES BOARD**

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr.      /s/ Diane Munns  
Executive Secretary

Dated at Des Moines, Iowa, this 31<sup>st</sup> day of January, 2000.